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IN THE

Supreme Court of the United States

October Term, 1977.

No. 77-75.

SYSTEMATIC TOOL & MACHINE COMPANY, et al.,
Petitioners,

v.

WALTER KIDDE & COMPANY, INC.,
Respondent.

On Petition for Writ of Certiorari to the United States Court of Appeals for the Third Circuit.

BRIEF FOR RESPONDENT IN OPPOSITION.

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ON PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE THIRD CIRCUIT.

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STATEMENT OF THE CASE.

This is a normal kind of patent case in which the patent was held invalid for obviousness and lack of invention. The decision of the Court of Appeals and underlying determinations are in full accord with principles established by the Supreme Court. Respondent restates the following aspects of Petitioner's Statement of the Case to make it more accurate.

The Court of Appeals for the Third Circuit did not base its reversal of the District Court only on the testimony of Respondent's expert witness, as Petitioners allege on page 5 of their Petition. Such reversal was based upon all of the determinations prescribed by the Supreme Court in *Graham v. John Deere Co.* 318 U. S. 1 (1966), *Anderson-Black Rock v. Pavement Salvage Co.* 396 U. S. 57, 61 (1969) and *Sakraida v. AG Pro, Inc.* 425 U. S. 273, 279-801 (1976), including scope and content of the prior art, differences between the prior art and the claims at issue, the level of ordinary skill in the pertinent art and whether synergism resulted (10a-16a).[1]

QUESTIONS PRESENTED.

Respondent submits that the questions proposed by Petitioners should be restated as follows:

1. Did the Court of Appeals follow the precepts established by the Supreme Court in concluding that the patent-in-suit was invalid for obviousness under 35 U. S. C. § 103?

2. In concluding that the subject matter claimed in the patent-in-suit was obvious under 35 U. S. C. § 103, did the Court of Appeals find that the combination of known elements claimed in the patent-in-suit lacked synergism?

1. Numbers followed by letter "a" refer to pages of Petitioners' Appendix.

ARGUMENT.

1. In Resolving the Obviousness Issue, the Court of Appeals Reviewed the Basic Inquiries Prescribed by the Supreme Court.

The Court of Appeals carefully reviewed the tests of obviousness under 35 U. S. C. § 103 laid down by the Supreme Court in its recent decisions relating thereto including: *Sakraida v. AG Pro, Inc. (supra)* and *Graham v. John Deere Co. (supra)* (10a, 11a). In so doing, the Court of Appeals held that the District Court's finding as to the level of ordinary skill in the art was clearly erroneous (14a). The Court of Appeals also disagreed with the District Court's finding that Petitioners' combination of known elements results in a synergistic effect (16a). The Court of Appeals, therefore, concluded the patented arrangement was obvious, there was no invention to warrant patentability regardless of commercial success, no synergism resulted (as later discussed herein) and the patent-in-suit was, therefore, invalid (16a).

2. The Court of Appeals Found That There Was No Synergistic Effect Resulting From Petitioners' Combination of Known Elements.

Petitioner inaccurately represents the findings of the Court of Appeals in its statement bridging pages 8 and 9 of the Petition. Petitioner incorrectly states, that the Court of Appeals accepted the finding of the District Court as to the existence of a synergistic result. The Court of Appeals actually determined there was *no* synergistic effect, as evidenced by the following excerpt from page 16 of its decision (16a) as follows:

". . . . Although the synergistic combination of known elements is one factor to consider in determining obviousness, we cannot agree that the district court's findings reveal any more of a synergistic effect than was found in the device to release water on a barn floor from a storage tank in Sakraida, supra. See also Anderson's Black Rock v. Pavement Salvage Co. 396 U. S. 57, 61 (1960). As a matter of law, plaintiff's slicer was 'obvious' ".

3. Synergism Does Not Result From an Arrangement of Old Elements Performing Their Same Old Functions to Merely Produce a More Striking Result.

Petitioner contends that its combination of old elements produces a synergistic result because it slices faster than the prior art. Merely slicing at a higher speed or slicing straighter involves only differences in degree and falls far short of the U. S. Supreme Court's definition of synergism expressed in *Sakraida v. AG Pro, Inc.* (*supra*) and *Anderson's Black Rock v. Pavement Salvage Co., Inc.* (*supra*). Such definition requires an assembly of all old elements to either have a "change in their respective functions" (*Sakraida v. AG Pro, Inc.*, 96 S. Ct. at 1536) or "result in an effect greater than the sum of several effects taken separately" (*Sakraida v. AG Pro., Inc.*, 96 S. Ct. at 1536). Plaintiff's allegations of high speed and straighter slicing action are highly similar to the results found to be lacking in synergism in *Sakraida v. AG Pro., Inc.* (*supra*) in which the Supreme Court stated as follows at page 1537, 96 S. Ct.

"Rather, this patent simply arranges old elements with each performing the same function it had been known to perform, although perhaps producing a more striking result than in previous combinations. Such combinations are not patentable under standards appropriate for a combination patent. A&P Tea Co. v. Supermarket, etc. Co., supra".

4. Petitioner Does Not Contest That the Court of Appeals Was Correct in Finding That Respondent's Expert Witness Represents the Proper Standard of Ordinary Skill in the Art.

The Court of Appeals held that the District Court was clearly erroneous in its determination of the level of ordinary skill in the art and that had it applied the correct standard, it would have found the combination of known elements to have been a routine procedure to one skilled in the art, also lacking in synergism and, therefore, obvious (15a, 16a). Petitioner accepts (page 14 of Petition) that the Court of Appeals did apply the proper standard of ordinary skill in the art. No dispute, therefore, exists as to the admissibility of the testimony of Respondent's expert witness that the patent constitutes a routine, obvious development.

CONCLUSION.

The Court of Appeals faithfully followed the precepts of the Supreme Court in determining that the combination of known elements claimed in the patent-in-suit was obvious and the patent, therefore, was invalid. This case therefore, does not present any important question of federal law, which has not been settled by the Supreme Court. It is also in complete accord with the principle that a patent which lacks invention because of obviousness under 35 U. S. C. § 103 is invalid.

Respectfully submitted,

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